Francisco Arcaute/R9/USEPA/US

06/17/2011 04:43 PM

To Jim Vreeland/R9/USEPA/US@EPA

cc Margot PerezSullivan/R9/USEPA/US@EPA

bcc

Subject AP Called Re: CIVIL LAWSUIT AGAINST GREKA OIL

History:

This message has been replied to.

Margot - Rob Wise tells me he was called by AP, 415 495 1708, doesn't know who, on this story. DOJ wants all calls to go through them. Since you have been working on Greka thought you should know. Thanks. F

Sent by EPA Wireless E-Mail Services

Jim Vreeland

---- Original Message -----

From: Jim Vreeland

Sent: 06/17/2011 01:34 PM PDT

To: Francisco Arcaute Cc: Margot PerezSullivan

Subject: Fw: United States and Two California State Agencies file civil Lawsuit Against greka oil & gas

INC. FOR OIL SPILLS IN SANTA BARBARA COUNTY

Here is the press release.....Jim

Jim Vreeland US EPA Region 9 75 Hawthorne Street San Francisco, CA 941 ph: 415/947-4298 fax: 415/947-3598 vreeland.jim@epa.gov

---- Forwarded by Jim Vreeland/R9/USEPA/US on 06/17/2011 01:33 PM -----

From: Jim Vreeland/R9/USEPA/US

To: greg.haas@mail.house.gov, adolfo bailon@boxer.senate.gov, molly o'brien@feinstein.senate.gov

Cc: Margot PerezSullivan/R9/USEPA/US@EPA, Brent Maier/R9/USEPA/US

Date: 06/17/2011 11:44 AM

Subject: UNITED STATES AND TWO CALIFORNIA STATE AGENCIES FILE CIVIL LAWSUIT AGAINST GREKA OIL & GAS INC. FOR OIL SPILLS IN

SANTA BARBARA COUNTY

This is being sent to the media this afternoon and I wanted to make sure that you had the latest, Please let me know if you any questions.

UNITED STATES AND TWO CALIFORNIA STATE AGENCIES FILE CIVIL LAWSUIT AGAINST GREKA OIL & GAS INC. FOR OIL SPILLS IN SANTA BARBARA COUNTY

WASHINGTON – The United States, the California Department of Fish and Game and the California Regional Water Quality Control Board, Central Coast Region, filed a civil complaint today in federal court against Greka Oil & Gas Inc. (now known as HVI Cat Canyon Inc.) alleging that the company violated federal and state water laws.

According to the complaint, announced today by the Department of Justice, the U.S. Environmental Protection Agency (EPA), the California Regional Water Quality Control Board, Central Coast Region and the California Department of Fish and Game, Greka illegally discharged crude oil and produced water from its oil and gas production facilities in Santa Barbara County during 21 spills between June 2005 and December 2010. The spills resulted from ruptured storage tanks, corroded pipelines and overflowing injection ponds. Oil from each of the spills flowed into nearby waterways.

The complaint, filed in U.S. District Court for the Central District of California, also alleges that at 12 facilities, Greka failed to prepare plans and implement measures required by the Clean Water Act to prevent, contain, and respond to spills.

The lawsuit asks the court to order Greka to take all appropriate action to prevent future spills, and to fully implement the oil pollution prevention requirements of the Clean Water Act. The United States and the two California state agencies also seek civil penalties up to the maximum amount authorized by law.

In addition, the United States seeks the recovery of \$2.4 million in costs incurred responding to and directing the cleanup of Greka's spills. The California Department of Fish and Game also seeks the recovery of its unpaid response costs and damages for harm caused to natural resources by the spills.

In May 2011, Greka changed its name to HVI Cat Canyon Inc. The company is a privately held Colorado corporation and a wholly-owned subsidiary of Greka Integrated Inc.

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